

Revised January 1, 2003

Term Life & Accidental Death & Dismemberment Insurance Program

(No Cash or Paid Up Values)

*The Enrollment/Change Form
is included at the back of this booklet.*



**Washington State
Health Care Authority**
Public Employees Benefits Board

NOTE:

If you receive payment of accelerated benefits, you may lose your right to receive certain public funds, such as Medicare, Medicaid, Social Security, Supplemental Security, Supplemental Security Income (SSI), and possibly others. Also, receiving accelerated benefits may have tax consequences for you. ReliaStar Life cannot give you advice about this. You may wish to obtain advice from a tax professional or an attorney before you decide to receive accelerated benefits.

The accelerated benefits are not intended to comply with 26 U.S.C. 101 (g) in regard to terminally ill insureds. The accelerated benefits are not intended to comply with 26 U.S.C. 7702B regarding qualified long-term care insurance.

Save this booklet for future reference

Please read this booklet carefully before you select your Life and Accidental Death and Dismemberment (AD&D) Insurance options. This booklet is not a contract. It contains your Certificate of Insurance and a summarized explanation of the Life and AD&D Insurance Program sponsored by the Public Employees Benefits Board (PEBB) for employees of the state, its higher education institutions, school districts, and participating political subdivisions. The benefits are subject to the terms, conditions, and limitations of the insurance contract between the Company and the Washington State Health Care Authority. Benefits available are based solely on the contract.

This booklet is provided by the Public Employees Benefits Board, 676 Woodland Square Loop S.E., P.O. Box 42684, Olympia, Washington 98504-2684 to assist you in designing your family's life and AD&D Insurance protection. Benefits are underwritten by the ReliaStar Life Insurance Company and this booklet is printed at their expense. If you need assistance with this publication, please contact the Health Care Authority (HCA) at 1-800-700-1555.

All newly hired eligible employees are required to complete an enrollment form and return it to their personnel, payroll, or benefits office. Employees must return the completed life insurance enrollment form within 60 days of their initial eligibility for PEBB benefits to designate a beneficiary and obtain coverage options that are available without providing evidence of good health.

To obtain this publication in an alternative format, please contact our Americans with Disabilities Act (ADA) Coordinator at 360-923-2805. TTY users please call 360-923-2701 or toll-free 1-888-923-5622.

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Certificate of Coverage

ReliaStar Life Insurance Company certifies that the Group Policy indicated below has been issued to the Policyholder. The Group Policy is on file and may be examined at the office of the Washington State Health Care Authority (HCA).

Policy Number GL-12373-1	Policyholder Washington State Health Care Authority
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This is a certificate of insurance issued under, and subject to, the terms, conditions, and provisions of the Group Policy (such policy controls in all instances). This certificate summarizes and explains pertinent provisions of the Group Policy, but it does not constitute a contract of insurance.

This certificate applies only to individuals who have applied for and are insured under this program. Dependents' coverage applies only to those who are eligible and enrolled.

Your beneficiary is your last designation that is on file with your personnel, payroll or benefits office. You may change your beneficiary at any time by notifying your personnel, payroll or benefits office, in accordance with the terms of the Group Policy.

This certificate replaces any and all insurance certificates that may have been issued previously to the insured under the Group Policy and is subject to the terms of the Group Policy.



ReliaStar Life Insurance Company

Registrar

Definitions

Actively at work

With respect to appointed and elected officials, this means being in pay status. With respect to all other employees, this means being in pay status and not totally disabled.

Annual earnings

An employee's basic compensation plus position stipends received from the employer, exclusive of bonuses, overtime, supplemental stipends, and other extra compensation. For full-time employees who are paid less than 12 months per year, annual salary is determined by multiplying monthly salary by 12.

Company

ReliaStar Life Insurance Company.

Dependent insurance

Insurance provided by the Group Policy, according to the Schedule of Benefits, with respect to the eligible, enrolled dependents of an employee.

Employee

Any employee who is eligible to receive the employer's contribution toward the cost of benefits as specified in the eligibility section of this booklet.

Employer

The state of Washington, any higher education institutions, school districts, and political subdivisions thereof that have been approved in writing by the Health Care Authority to participate in this program.

Insured individual

Any person insured under the terms and provisions of the Group Policy.

Legal representative

A court appointed guardian or person with power of attorney.

Pay status

As of any specific date, this means that the employee is being compensated by the employer for services performed.

Physician

A duly licensed doctor of medicine, osteopath, chiropractor, optometrist, or chiropodist (other than insured individual) treating illness or injury within the scope and limitations of the physician's license.

Policyholder

Washington State Health Care Authority.

Providing Evidence of Good Health means you must:

1. Complete and sign the medical history statement.
2. Sign the form authorizing the Company to obtain information about your health.
3. Undergo a physical examination, if required by the Company, which may include blood testing.
4. Provide any additional information about your **good health** that the Company may reasonably require.

Providing Evidence of Good Health does not assure that your application for coverage will be approved.

Terminal condition

An injury or sickness that is expected to result in an insured individual's death within 12 months and from which there is no reasonable chance of recovery.

Total disability

Complete inability, because of sickness or accidental injury, to work at any occupation suited to your education, training, or experience.

Eligibility

(See “Effective Dates” to determine when coverage for eligible employees begins.)

Employees of state government, higher education, K-12 school districts, educational service districts, participating employer groups (counties, cities, ports, water districts, etc.) and employee organizations representing state civil service workers are eligible to apply for all parts of the Life and Accidental Death and Dismemberment (AD&D) Insurance program in accordance with WAC 182-12-115.

Dependents: Dependents eligible to apply for coverage under Part B and Part E include:

1. The employee’s lawful spouse or same-sex domestic partner (qualified through the declaration certificate). References to “spouse” in this booklet include qualified domestic partners.
2. Unmarried children 14 days or over but under 24 years of age, who are dependent upon the employee for maintenance and support, including adopted from the time the child is physically placed with you and you assume financial responsibility for the child’s medical expenses; stepchildren; children of the employee’s qualified same-sex domestic partner; and extended dependents approved by HCA.

Program Summary

This program has five parts. Coverage options allow you to design your own plan. Study the chart below to determine which parts of the program suit your needs.

	Amount of Insurance	Monthly Cost
Part A — Basic Term Life and Accidental Death & Dismemberment Insurance for Employees	\$25,000 Basic Life Insurance for death from any cause and \$5,000 Basic Accidental Death & Dismemberment Insurance.	Your employer provides Part A coverage through the PEBB at no cost to you.
Part B — Basic Dependent Term Life Insurance	\$2,500 spouse and \$2,500 each unmarried dependent child. Covers death from any cause.	You pay \$.65 per family, regardless of the number of dependents.
Part B — Supplemental Spouse Term Life Insurance	<p>If you have enrolled in Part B Basic Spouse Insurance, you may apply for additional amounts for your spouse in \$1,000 increments up to one half of the amount of life insurance you obtain for yourself under Part C and Part D combined (rounded up to the next \$1,000). If you apply within 60 days of eligibility, your spouse may have up to \$25,000 of coverage without providing evidence of good health. After 60 days, or for coverage in excess of \$25,000, it will be necessary to provide evidence of your spouse’s good health at the carrier’s expense.</p> <p>Part B Supplemental covers death from any cause.</p>	See page 32.
Part C — Optional Term Life Insurance For Employees	<p>You may choose any amount in \$1,000 increments from half of your annual salary up to the amount of your annual salary (both rounded up to next \$1,000).</p> <p>Part C covers death from any cause.</p>	See page 32.

**Part D —
Supplemental
Term Life Insurance For
Employees**

You may apply for additional amounts in \$1,000 increments from \$1,000 to \$350,000. If you apply within 60 days of your eligibility date, you may obtain up to \$50,000 of coverage without evidence of good health. After 60 days, or for coverage in excess of \$50,000, it will be necessary for you to provide evidence of good health at the Company's expense. Part D covers death from any cause.

See page 32.

**Part E —
Voluntary Accidental
Death &
Dismemberment
Insurance**

You may enroll in Part E Accidental Death and Dismemberment coverage in multiples of \$25,000 (\$25,000 minimum) up to \$250,000 for covered accidental death or covered accidental dismemberment. **Deaths and dismemberments from other causes are not covered under Part E.**

See page 32.

If you select voluntary **dependents'** AD&D coverage in addition to your own, your spouse will be insured for 50% of your benefit if you have no dependent children. If you have children, your spouse will be insured for 40% and each dependent child for 5% of your benefit. If there is no spouse, each dependent child will be insured for 10% of your benefit. This dependent coverage will not reduce your coverage.

Summary of Provisions

	Part A Basic Life	Part A Basic AD&D	Part B Dependents	Part C Optional	Part D Supple- mental	Part E Voluntary AD&D
EXCLUSIONS Are you covered for death from any cause with no contractual exclusions?	Yes	No (See exclusions below.)	Yes	Yes	Yes	No (See exclusions below.)
HEALTH STATEMENTS Are you insured without a health statement or physical exam if you enroll within 60 days after becoming eligible?	Yes	Yes	Basic B: Yes Supplemental B: Evidence of good health is required above \$25,000.	Yes	Evidence of good health is required above \$50,000.	Yes
WAIVER OF PREMIUM Can you continue your insurance coverage without premium payment if you become totally disabled prior to age 60 and the disability continues at least six months?	Yes	No	Yes (See Question #21, page 30, for details.)	Yes	Yes	No
BENEFICIARY Can you choose any beneficiary?	Yes	Yes	No - you are the beneficiary.	Yes	Yes	Yes, but you are the beneficiary for dependents' AD&D.
CONVERSION Can you convert to an individual policy without evidence of good health if you leave state employment for any reason?	Yes	No	Yes - spouse and dependent children.	Yes	Yes	No
24-HOUR COVERAGE Will you have 24-hour coverage?	Yes	Yes	Yes	Yes	Yes	Yes
FLYING Is flying covered?	Yes	Yes	Yes	Yes	Yes	Yes, but as a passenger only. (Accidents as pilot or crew members are not covered.)
OTHER EXCLUSIONS What other exclusions are there?	None	Basic AD&D benefits will not be paid for suicide; intentionally self-inflicted injuries; loss from self-administered narcotics, poisons, or chemical substances; loss due to war or insurrection; loss resulting from sickness or physical infirmity, stroke, or heart attack; or loss from commission of an assault, felony, or violent disorder. (See page 9.)	None	None	None	AD&D benefits will not be paid for suicide; intentionally self-inflicted injuries; loss from self-administered narcotics, poisons, or chemical substances; loss due to war or insurrection; loss resulting from sickness or physical infirmity, stroke, or heart attack; or loss from commission of an assault, felony, or violent disorder. (See page 11.)

Schedule of Benefits

Part A - Basic Employee Insurance

Classification	Face Amount (Life Insurance)	Principal Sum (Accidental Death and Dismemberment Insurance)
Employee	\$25,000	\$5,000

The following applies only if the employee is on waiver of premium:

65 but less than 70 years of age \$3,500

Age 70 and over \$3,000

Schedule of Indemnities for Accidental Death and Dismemberment Insurance

Benefit for Loss of:

Life	The Principal Sum
Both hands, both arms, both feet, both legs, or sight of both eyes.....	The Principal Sum
One hand and one foot or one arm and one leg	The Principal Sum
Either hand, arm, foot, or leg and sight of one eye	The Principal Sum
Either hand, arm, foot, or leg	One-Half The Principal Sum
Sight of one eye	One-Half The Principal Sum

Loss shall mean, with regard to hands and feet, actual severance through or above the wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

Upon receipt by the Company of notice and satisfactory proof that any individual insured under Part A of the Group Policy has sustained any loss shown in the Schedule of Indemnities as a direct result of accidental bodily injuries independently of all other causes and within 365 days of such injury, the Company will pay, subject to the terms of the Group Policy, the amount specified for such loss in the Schedule of Indemnities.

Accidental bodily injury means a bodily injury sustained by the insured person which is a direct result of an accident, independent of disease or bodily infirmity or any other cause, and which occurs while the insurance is in force.

However, no payment will be made for any loss if the accident is caused directly or indirectly by any of the following:

1. Any insurrection, war, or act of war. War includes declared or undeclared war, whether civil or international, and any substantial armed conflict with organized forces of a military nature;
2. Suicide or injuries intentionally inflicted by the insured individual, while sane or insane;
3. Committing or attempting to commit a criminal assault or felony, or participating in a violent disorder; or
4. Stroke, coronary occlusion, or rupture; any self-administered drug not prescribed by a physician for illness or injury; an intentionally self-administered poison or other chemical compound; bodily or mental infirmity; sickness, disease, or infection existing at the time of the accident; or medical or surgical treatment for any of the foregoing.

No more than the Principal Sum shall be paid for all losses during all periods of coverage.

Accidental Death and Dismemberment Insurance under the Group Policy is not in lieu of and does not affect any requirement for coverage by workers' compensation insurance.

Part B - Basic Dependent Term Life Insurance

Classification	Amount of Life Insurance
Spouse	\$2,500
Child	\$2,500

Part B - Supplemental Spouse Term Life Insurance

Classification	Amount of Life Insurance
Spouse	Available in increments of \$1,000, but not to exceed 50% of your total Part C and Part D coverage in force (rounded to the next higher \$1,000 if not a multiple of \$1,000).

Part C - Optional Employee Term Life Insurance

Your face amount of life insurance shall be any multiple of \$1,000 you choose, subject to the following:

Minimum: One half of your annual earnings as of the date of election rounded up to the next higher multiple of \$1,000, if not already a multiple of \$1,000.

Maximum: Your annual earnings as of the date of election rounded up to the next higher multiple of \$1,000, if not already a multiple of \$1,000.

If you are paid less than 12 months per year, annual salary is determined by multiplying monthly salary by 12. For eligible part-time employees working half-time or more, monthly salary is determined by converting part-time hourly rate or monthly salary to an equivalent full-time basis.

If you have elected the maximum face amount, your insurance shall automatically increase as your salary increases. You shall have the option of freezing the amount of coverage by stopping the automatic increase at any time. Any increase in a frozen amount of insurance must be at the request of the insured individual and is subject to approval of satisfactory evidence of good health by the Company.

If you have not elected the maximum, the face amount of insurance will remain constant from the date of election and will not change automatically with changes in your earnings. Each election of an increased face amount is subject to approval of satisfactory evidence of good health by the Company. Each election shall be subject to the minimum and maximum based on your annual earnings as of the date of election.

Part D - Supplemental Employee Term Life Insurance

The face amount of your life insurance shall be any multiple of \$1,000 you choose, subject to a maximum of \$350,000.

Part E - Voluntary Accidental Death and Dismemberment Insurance

Classification	Principal Sum (Accidental Death and Dismemberment Insurance)
Employee	An amount of insurance you select that is equal to any multiple of \$25,000, subject to a maximum of \$250,000.

The principal sum of Accidental Death and Dismemberment Insurance for a dependent shall be the appropriate percentage, shown below, of the employee's principal sum of Accidental Death and Dismemberment Insurance.

Dependents	Percentage
Spouse only (no dependent children)	50%
Spouse with dependent children	
Spouse	40%
Each dependent child	5%
Children only (no spouse)	
Each dependent child	10%

Schedule of Indemnities

Benefit for Loss of:

Life	The Principal Sum
Both hands, both arms, both feet, both legs, or sight of both eyes.....	The Principal Sum
One hand and one foot or one arm and one leg	The Principal Sum
Either hand, arm, foot, or leg and sight of one eye	The Principal Sum
Either hand, arm, foot, or leg	One-Half The Principal Sum
Sight of one eye	One-Half The Principal Sum

Loss shall mean, with regard to hands and feet, actual severance through or above the wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight.

Upon receipt by the Company of notice and satisfactory proof that any individual insured under Part A or E of the Group Policy has sustained any loss shown in the Schedule of Indemnities as a direct result of accidental bodily injuries independently of all other causes and within 365 days of such injury, the Company will pay, subject to the terms of the Group Policy, the amount specified for such loss in the Schedule of Indemnities.

Accidental bodily injury means a bodily injury sustained by the insured person which is a direct result of an accident, independent of disease or bodily infirmity or any other cause, and which occurs while the insurance is in force.

However, no payment will be made for any loss if the accident is caused directly or indirectly by any of the following:

1. Any insurrection, war, or act of war. War includes declared or undeclared war, whether civil or international, and any substantial armed conflict with organized forces of a military nature;
2. Suicide or injuries intentionally inflicted by the insured individual, while sane or insane;
3. Committing or attempting to commit a criminal assault or felony, or participating in a violent disorder;

4. Stroke, coronary occlusion, or rupture; any self-administered drug not prescribed by a physician for illness or injury; an intentionally self-administered poison or other chemical compound; bodily or mental infirmity; sickness, disease, or infection existing at the time of the accident; or medical or surgical treatment for any of the foregoing;
5. With respect to Part E insurance only, travel or flight in or descent from any kind of aircraft, as a pilot or crew member.

No more than the Principal Sum shall be paid for all losses during all periods of coverage.

Accidental Death and Dismemberment Insurance under the Group Policy is not in lieu of, and does not affect any requirement for coverage by, workers' compensation insurance.

No life insurance is provided under Part E, except as specified for accidents.

Accelerated Life Benefit

This benefit is equal to 50% of your amount of Basic, Supplemental, and/or Optional Life Insurance in force, or \$100,000, whichever is less. This benefit is available to you and your spouse. Each insured individual must have at least \$10,000 in Life Insurance coverage in force to qualify for this benefit.

The Company pays this benefit if it has been determined that you or your insured spouse have a terminal condition. Accelerated Life Benefit proceeds are paid by the Company to you or your legal representative while the insured individual is living when it has been determined that the insured individual has a terminal condition. Accelerated Life Benefit proceeds are paid in one lump sum and are paid only once. This lump sum payout is the only Life Insurance settlement option available to an insured individual prior to death.

A terminal condition is defined as an injury or sickness that is expected to result in an insured individual's death within 12 months and from which there is no reasonable chance of recovery.

The Accelerated Life Benefit is based on the amount of Life Insurance coverage in effect on the date the insured individual applies for the Accelerated Life Benefit proceeds. An insured individual will not be able to increase Supplemental or Optional Life Insurance amounts after applying for the Accelerated Life Benefit proceeds, unless the insured individual is determined to be ineligible to receive the Accelerated Life Benefit proceeds.

To receive the Accelerated Life Benefit proceeds, **all** of the following conditions must be met. An insured individual must do the following:

1. Request this benefit in writing. If the insured is unable to request this benefit, the insured's legal representative may request it.
2. Be insured as an employee or spouse for Life Insurance benefits.
3. Have Life Insurance benefits of at least \$10,000 under this PEBB program.
4. Provide to the Company a doctor's statement which gives the diagnosis of the insured's medical condition, along with a statement that because of the nature and severity of such condition, life expectancy is no more than 12 months. You may be required to be examined by a doctor of the Company's choice at the Company's expense. If the second doctor's opinion is in conflict with the first opinion, and cannot be resolved, the insured has the right

to mediation or binding arbitration conducted by a disinterested third party who has no ongoing relationship with either the Company or the insured. Any such arbitration will be conducted in accordance with Washington State Law.

To select the arbitrator or mediator, the insured will choose one health care provider, who may or may not be the insured's regular health care provider or otherwise associated with or related to the insured. The Company will choose one health care provider, who may or may not be an employee or otherwise associated with the Company. The choices must be made within seven days. The two chosen health care providers will agree on and appoint an arbitrator or mediator within seven days. The arbitrator will hear the case or otherwise commence resolving it within seven days of his or her appointment, and will render a decision within 14 days after appointment.

5. Provide to the Company written consent from any irrevocable beneficiary; assignee; and, in community property states, the insured's spouse.
6. Not have notified the Company in writing that the insured is waiving this benefit. An insured's decision to waive this benefit may not be revoked or changed.

Benefit Payment: The Company pays Accelerated Life Benefits to the employee unless both of the following are true:

1. It is shown, to the satisfaction of the Company, that the employee is physically and mentally incapable of receiving and cashing the lump sum payment.
2. A representative appointed by the court to act on behalf of the employee makes a claim for the payment.

If the Company does not pay the employee because the two above conditions apply, payments will be made to (1) an individual who is responsible for the insured, (2) an institution that is responsible for the insured, or (3) any other person the Company considers entitled to receive the payments as a trustee for the insured.

Accelerated Life Benefit Exclusions: The Company does not pay benefits for a terminal condition if the required Life Insurance premium is due and unpaid.

Effects on Coverage: When the Company pays this benefit, the insured's coverage is affected in the following ways:

1. The insured's total available Life Insurance Benefit equals the amount of Basic, Supplemental Life, and Optional Insurance in effect at the time the insured applies for the Accelerated Life Benefit.

The insured's total available Life Insurance Benefit is reduced by the amount of Accelerated Life Benefit paid under this provision.

2. The insured's Life Insurance benefit amount that may be converted is reduced by the Accelerated Life Benefit proceeds paid.
3. The insured will not be able to increase any Supplemental or Optional Life Insurance coverage after the Company approves the insured to receive the Accelerated Life Benefit.
4. The insured's premium is reduced based upon the remaining amount of Life Insurance Benefit. The reduced premium must be paid, unless waived, to keep Life Insurance coverage in force.
5. The remaining Life Insurance Benefit is subject to future age reductions (if any).

6. The insured will not be able to reinstate coverage to its full amount in the event of recovery from a terminal condition.
7. The insured's dependent Life Insurance coverage will not be affected by Accelerated Life Benefit proceeds paid because of an employee's terminal illness, provided all required premiums are paid.
8. The insured's receipt of Accelerated Life Benefit proceeds does not affect any Accidental Death and Dismemberment Insurance. Thus, if the insured should die in a covered accident after receiving Accelerated Life Benefits, the accidental death benefit will be based on the AD&D principal sum in force on the date of the accident.

General Information

Enrollment Process

To enroll in this program or change your coverage, you must complete an enrollment form and return it to your personnel, payroll or benefits office.

You must also complete an enrollment form to:

1. Designate a beneficiary for your insurance, including coverage provided automatically for eligible employees.
2. Provide coverage for your dependents under the voluntary Part B Basic Dependents and Part B Supplemental Spouse Life Insurance.
3. Select additional coverage under the voluntary Part C Optional Life Insurance.
4. Apply for additional coverage up to \$350,000 under the voluntary Part D Supplemental Life Insurance.
5. Supplement your group Life Insurance program with voluntary Accidental Death and Dismemberment coverage, Part E.
6. Authorize payroll deductions for your premium contributions.

You may enroll within 60 days after you become eligible for coverage without evidence of good health for Part B Basic Dependent Life Insurance, Part B Supplemental Spouse Life to \$25,000, Part C Optional Life, and Part D Supplemental Life to \$50,000. (Dependent children do not require evidence of good health.)

If you do not apply to enroll during your first 60 days of eligibility, you must provide evidence of good health that meets the requirements of the Company.

Effective Dates

Part A

Your coverage under Part A shall become effective as follows:

1. **Permanent employees, seasonal employees, career seasonal/instructional employees:** Coverage begins on the first day of the month following the date of employment. If the date of employment is the first working day of a month, coverage begins on the date of employment.
2. **Nonpermanent employees:** Coverage for nonpermanent employees begins on the first day of the seventh calendar month following the date of employment.
3. **Part-time faculty:** Coverage for part-time faculty begins on the first day of the month following the beginning of the second consecutive quarter/semester of half-time or more employment. If the first day of the second consecutive quarter/semester is the first working day of the month, coverage begins at the beginning of the second consecutive quarter/semester.
4. **Appointed and elected officials, judges:** Coverage for legislators begins on the first day of the month following the date their term begins. If the term begins on the first working day of a month, coverage begins on the first day of their term.

Coverage begins for all other elected and full-time appointed officials of the legislative and executive branches of state government, and judges, on the first day of the month following the date their term begins, or the first day of the month following the date they take the oath of office, whichever occurs first. If the term begins, or oath of office is taken, on the first working day of a month, coverage begins on the date the term begins, or the oath of office is taken.

5. **Employees of school districts and participating employer groups (counties, cities, ports, water districts, etc.):** The effective date of coverage for eligible employees may be determined by the terms of employment or collective bargaining agreement. Participation of the bargaining unit or non-represented employees is subject to approval by the HCA.

Parts B, C, and D

You may apply for Part B or C, and may apply for Part D regardless of whether you also applied for and are insured for the maximum amount of insurance permitted under Part C.

You must enroll in Part B Basic to be eligible for coverage under Part B Supplemental.

If you apply for Part B Basic, Part B Supplemental to \$25,000, Part C, or Part D to \$50,000 within 60 days after your date of eligibility, coverage becomes effective the first of the month following the signature date on the enrollment form.

If you apply for over \$25,000 Part B Supplemental or over \$50,000 Part D Supplemental, evidence of good health must be submitted to the Company. Medical examinations required, if any, will be paid for by the Company. Insurance amounts over \$25,000 Part B Supplemental and \$50,000 Part D Supplemental become effective on the first day of the calendar month following the month in which such evidence of good health is approved by the Company.

If you apply for Part B Basic Spouse, Part B Supplemental, Part C, or Part D more than 60 days after your date of eligibility, evidence of good health (except for dependent children) must be submitted to the Company. Medical examinations required, if any, will be paid for by the Company. Insurance becomes effective on the first day of the calendar month following the month in which such evidence of good health is approved by the Company.

Part E

Insurance under Part E shall become effective on the first day of the calendar month following the month in which such application is made. Part E does not require evidence of good health.

Actively at Work Provision - Parts A, B, C, D, and E

If you are not at work on such date, the insurance will become effective the first of the month following the date you return to active work. If the date your insurance would otherwise become effective falls on a non-working day, such insurance shall nevertheless become effective if you were actively at work on the last preceding work day, provided that you would have been able to work had the effective date been a work day. The effective date of increases in insurance or purchase of additional insurance (including insurance for a new spouse or dependent) will also be delayed until you return to active work.

Changes in Coverage

Part B Supplemental Spouse Life Insurance

You may change the face amount of Part B Supplemental Spouse Life Insurance by completing a new enrollment form and submitting it to your personnel, payroll or benefits office. A decrease in the face amount of Part B Supplemental Spouse Life Insurance will become effective on the first day of the calendar month following the month in which you requested the change. An increase in the face amount of Part B Supplemental Spouse Life Insurance will become effective, after such election, on the first day of the calendar month following approval of evidence of good health satisfactory to the Company.

Any increase in the amount of insurance for any dependent who is for any reason confined to a hospital on a date when the increase would otherwise become effective, shall be deferred until the dependent's final discharge from the hospital.

Part C

The amount of Part C insurance may be changed by the following methods. Each election of a new face amount will replace any previous election.

- A. Increases — An increase in the amount of Part C insurance may not exceed the maximum permitted under Part C.
 - 1. If you elect automatic increases on your enrollment form:
 - a. The face amount of Part C insurance will automatically increase to correspond to increases in your annual earnings, as described in the Schedule of Benefits on page 9.
 - b. The increase will become effective on the first day of the calendar month following the month in which your earnings are increased.
 - 2. If you do not elect automatic increases on your enrollment form:
 - a. The face amount of Part C insurance will not automatically increase as your annual earnings increase.
 - b. You may elect to increase the amount of Part C insurance by completing a new enrollment form and returning it to your personnel, payroll or benefits office. The increase will become effective, after such election, on the first day of the calendar month following approval of evidence of good health satisfactory to the Company.
- B. Decreases — A decrease in the amount of Part C insurance may not be to an amount less than the minimum permitted under Part C.
 - 1. You may elect to decrease the amount of Part C insurance by completing a new enrollment form and returning it to your personnel, payroll, or benefits office.
 - 2. The decrease in the amount of insurance will become effective, after such election, on the first day of the calendar month following the month in which the election is made.
- C. Freezes — You may freeze the amount of Part C insurance if you elected the maximum face amount when you enrolled.
 - 1. You may stop the automatic increase of Part C insurance by completing a new enrollment form and returning it to your personnel, payroll or benefits office.
 - 2. The freeze in the amount of insurance will become effective on the first day of the calendar month following such election.

Part D

You may elect to change the face amount of Part D insurance by completing a new enrollment form and returning it to your personnel, payroll or benefits office. A decrease in the face amount of Part D insurance will become effective on the first day of the calendar month following the month in which the election is made. An increase in the face amount of Part D insurance will become effective on the first day of the calendar month following approval of evidence of good health satisfactory to the Company.

Part E

You may change the principal sum of Accidental Death and Dismemberment Insurance or apply for Dependent Accidental Death and Dismemberment Insurance by completing a new enrollment form and returning it to your personnel, payroll or benefits office. Any changes in the principal sum or addition of dependent Accidental Death and Dismemberment Insurance will become effective on the first day of the calendar month following such election.

Termination of Employee Coverage

Your coverage shall terminate on the earliest of the following dates:

- A. With respect to Part A for employees in pay status, the end of the calendar month in which you were in pay status or following an approved leave of up to 12 weeks under the Family and Medical Leave Act.
- B. With respect to Parts B, C, D, and E, and with respect to Part A for members not in pay status, the earlier of (1) the end of the month in which status as an employee is terminated, or (2) the end of the calendar month for which premium is paid to the Company by the HCA for your insurance.
- C. With respect to Part A and Part E Accidental Death and Dismemberment Insurance, the end of the calendar month in which your claim for total disability is approved by the Company.
- D. The end of the calendar month in which you begin full-time service of the military (land, sea, or air) forces of any country. However, employees called to active military service for 31 or more days may extend coverage for Parts B, C, and D to the end of the 12th calendar month in which you begin full-time service in the military forces (land, air, or sea) of any country. There are two options for extending insurance benefits:
 - 1. You can use agency approved annual or military leave to maintain a minimum of 8 hours pay status each month. Employer sponsored Part A will be continued. You are responsible for payment of the premium for the continued coverage of Parts B, C, and D.
 - 2. You may self-pay your life insurance coverage. Contact your personnel, payroll or benefits office to obtain the appropriate form.

If you self-pay for your coverage and return to active full-time employment status before the end of the 12th calendar month in which you began full-time service in the military forces, your coverage will be reinstated without proof of good health the first of the month following your return. You must submit an updated life insurance form to your payroll office within 31 days of your return to work. If you return to active full-time employment status after the end of the 12th calendar month in which you began full-time service in the military forces, you may be required to provide proof of good health in order to obtain coverage under Parts B, C, and D. Upon your return to work, any increase to the amount of life insurance you had in place when you were called to active duty will require proof of good health.

- E. The date of discontinuance of the Group Policy.
- F. Provided, however, that with respect to Parts A, B, C, and D only, if you cease active work directly or indirectly because of a strike, lock-out, or other labor dispute, which results in suspension or termination of your compensation, you have the right to continue such life insurance by paying the entire premium for such continued insurance directly to the HCA. If you elect to pay the entire premium for this continued insurance, termination of such continued insurance shall occur on the earlier of (1) the end of the last calendar month for which you made a premium payment, (2) your return to active work, (3) the end of the sixth calendar month following the date of suspension or termination of compensation by your employer, or (4) the date of discontinuance of the Group Policy.
- G. If you cease active work on account of any authorized leave without pay, while receiving time loss benefits under workers' compensation or during a lay-off because of a reduction in force, or while awaiting hearing for a dismissal action, your insurance may be continued under the self-pay privilege to the end of the 29th calendar month following the calendar month in which such leave or reduction in force status begins.

If you have reverted and are not successful in regaining pay status, or have moved to a non-eligible position (temporary, intermittent, or emergency) or have become an inactive part-time faculty or seasonal employee, without interrupting continuous service with the employer, your insurance may be continued to the end of the 18th calendar month following the calendar month in which employer paid coverage ceases.

Your insurance (with the exception of Family and Medical Leave as explained below) is subject to the continued payment of premiums.

- H. If you cease active work because of an approved Family and Medical Leave of up to 12 weeks, your employer will maintain your Part A Basic and AD&D Insurance coverage which you had under this plan before you went on such leave. You may continue Parts B, C, D, and E Insurance for yourself and your dependents by self-paying premiums during this time period.

If you elect not to continue coverage during your approved Family and Medical Leave, upon return to work you will be eligible for the amounts of Part B, C, D, and E Insurance you had under this plan immediately prior to your leave. You will not be required to provide additional evidence of good health to reinstate your prior amounts of coverage. Coverage will be reinstated on the date you return from approved Family and Medical Leave, provided you resume paying the required contributions at that time.

- I. When both husband and wife are covered employees, or when both qualified domestic partners are covered employees, and one employee terminates coverage, any in-force Part C and D Life Insurance may be transferred, without evidence of good health, to the remaining insured employee's Supplemental Spouse Life Insurance (Part B). The combined Supplemental Spouse coverage may not exceed the standard maximum limitation (50% of the insured employee's total Part C and D coverage). Likewise, any in-force Part B Supplemental Spouse coverage may be transferred to the remaining insured employee's Part C and/or Part D coverage up to the maximum allowed under these coverages. Only the amount of terminated life coverage may be converted within 31 days of termination. Any transfer of coverage through this special provision must be immediate and without lapse in coverage.

Note: See "Conversion of Life Insurance" section B.4 on page 22. In some circumstances, employees and their insured dependents may be entitled to benefits, if death occurs within the 31-day period (60 days for retirees and their dependents) following termination of insurance.

Termination of Dependent Insurance

Your dependents' insurance shall automatically terminate on the earliest of the following dates:

1. With respect to Life Insurance, five months (subject to self-payment of premium) after your death;
2. With respect to Life Insurance, the date your Life Insurance terminates due to any cause other than death.
3. With respect to Accidental Death and Dismemberment Insurance, the date your Accidental Death and Dismemberment Insurance terminates;
4. The end of the month in which your dependent begins full time service of the military (land, sea, or air) forces of any country;
5. The end of the month in which your dependent child marries or otherwise ceases to maintain the status as a dependent as defined herein;
6. The end of the month in which you are divorced; or
7. The end of the month in which premium is paid to the Company by the HCA for your dependent insurance.

Note: See "Conversion of Life Insurance" section B.4 on page 22. In some circumstances, employees and their insured dependents may be entitled to benefits, if death occurs within the 31-day period (60 days for retirees and their dependents) following termination of insurance.

Beneficiary

Payment of any insurance under this plan shall be made to the employee if living. You are the beneficiary for dependent Life Insurance and dependent Accidental Death and Dismemberment Insurance if you are enrolled for those coverages and are living.

Employee death benefits will be paid to the employee’s beneficiary. The employee’s beneficiary is the last designation on file with the employee’s personnel, payroll or benefits office. In other cases, payment will be made in equal shares to your surviving beneficiaries in this order: (a) spouse; (b) living children; (c) father and mother; (d) your estate. In any case the Company may, in lieu of payment to your executors or administrators, pay up to \$1,000 of the insurance to any relative by blood or connection by marriage or qualified domestic partnership of the employee appearing to the Company to be equitably entitled to such payment.

If your beneficiary is a minor (under age 18), benefits may be paid to the child’s court-appointed legal guardian or proceeds may be held in an interest-bearing account by the Company. The payment method is determined by the legal guardian.

You may change your beneficiary at any time by completing a new enrollment form and returning it to your personnel, payroll, or benefits office, according to terms of the Group Policy. Be sure to update your beneficiary in the event of dissolution of marriage or domestic partnership.

Benefits in Event of Disability

Your Life Insurance under Parts A, B, C, and D will be continued in force without payment of premiums, subject to the terms and conditions of the Group Policy, if you become totally disabled for a period of at least six consecutive months. (Premiums will also be waived during the first six months should death occur due to an otherwise covered disability.) Total disability must begin while you are less than 60 years of age and while you are insured for this benefit. The amount of Life Insurance continued in force under this benefit is based upon age at the time of death and will be provided as follows:

Part A – Basic Life

Less than 65 years of age	The face amount of Life Insurance on the day total disability began.
65 but less than 70 years of age	\$3,500
Age 70 and over	\$3,000

Part B – Basic Dependent Life Insurance and Supplemental Spouse Life Insurance

All insured dependents whose insurance is	The face amount of Life Insurance on the day total disability began.
being continued due to your continued insurance under this benefit.	With respect to dependent children only, each child’s insurance shall automatically terminate as specified in Termination of Dependent Insurance.

Parts C and D – Optional and Supplemental Life Insurance

All insured employees so covered	The face amount of Life Insurance on the day total disability began.
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Premiums are waived for Life Insurance only. Premiums are not waived for Accidental Death and Dismemberment Insurance.

The AD&D Insurance under Part A and Part E will terminate on the first day of the calendar month following the calendar month in which your claim for total disability is approved by the Company.

“Total disability” means your complete inability, because of sickness or accidental injury, to work at any occupation suited to your education, training, or experience.

Due proof of total disability must be submitted to the Company by you or on your behalf. This proof must be submitted within 12 months after the total disability commences and as often thereafter as reasonably required by the Company. The Company, at its own expense, may require you to have a medical examination by a designated physician each time proof of total disability is required. Medical examinations may not, however, be required more often than once in any 12 month period after disability benefits have been provided for two full years.

Any Life Insurance continued in force under this benefit will immediately terminate if (a) you cease to be totally disabled or (b) proof of total disability is not submitted to the Company as required. You may exercise your conversion privilege if Life Insurance under this benefit terminates and you are not then eligible for insurance under the policy. However, Life Insurance will be in force if you are then eligible for insurance under the policy and premiums are paid.

Your rights under this benefit may be restored only if you have been issued an individual policy of Life Insurance under the “Conversion of Life Insurance” section of the policy within 12 months of the date total disability commenced. Due proof that this benefit would have been provided had the individual policy not been issued must be submitted to the Company within 12 months of the date total disability commenced. This benefit will then be provided, upon surrender of the individual policy, without claim except for the refund of premiums. The beneficiary will remain as designated in the individual policy.

Waiver of Premium for Dependents: The Company will waive payment of premiums due for your covered Dependent Life Insurance in any period during which your Life Insurance remains in force without payment of premiums as a result of your disability.

Conversion of Life Insurance

A. Upon written application and payment of the applicable premium to ReliaStar Life Insurance Company (ReliaStar Life) within 31 days (60 days for persons retiring and their dependents), you or your insured dependents will be entitled, without evidence of good health, to an individual policy of Life Insurance (without Disability, Accelerated Life, or Supplemental Accidental Death and Dismemberment Insurance benefits) on the earliest of the following:

1. The date your or your insured dependents’ insurance ceases because of termination of your employment or termination of membership in the class or classes eligible for insurance under the Group Policy.

If your insurance is reduced, you may convert that portion of your insurance reduced under the group policy.

2. The date of cessation of insurance as provided under the Life Insurance benefit provision entitled “Benefits in Event of Disability.”
3. The date of discontinuance of the Group Policy, provided such date is five years or more after the effective date of your or your insured dependents’ insurance.

Note: If you or your insured dependents have been insured for less than five years on the date of discontinuance of the Group Policy, you or your insured dependent will not be entitled to an individual policy of Life Insurance under this Conversion of Life Insurance provision.

B. The following conditions and provisions will apply to the individual policy of insurance:

1. The individual policy will, at the option of you or your insured dependents, be on any one of the forms, except term insurance, then customarily issued by ReliaStar Life at the age and for the amount applied for.

If you or your insured dependents' previous coverage included benefits such as Disability, Accidental Death and Dismemberment Insurance, or the Accelerated Life Benefit, the new insurance will not include those benefits.

2. The premium for the individual policy will be the premium applicable to the class of risk to which you or your insured dependents belong and to the form and amount of the individual policy at your or your insured dependents' attained age (nearest birthday) on the effective date of the individual policy.
3. The amount of the individual policy will be equal to (or at your option, less than) the amount of your or your insured dependents' Life Insurance under Parts A, B, C, and D of the Group Policy on whichever of the termination dates listed above (see subsection A1 or A2) is applicable. However, if your or your insured dependents' Life Insurance ceases because of the discontinuance of the Group Policy five years or more after the effective date of the person's insurance, the amount of the individual policy may not exceed the lesser of:
 - a. The amount of your or your insured dependents' Life Insurance at the date of cessation of such insurance, reduced by any Life Insurance for which you or your insured dependent may become eligible under any group policy issued or reinstated by ReliaStar Life or by any other insurer to the Policyholder within 31 days (60 days for retirees and their dependents) after such cessation, or
 - b. \$3,000.
4. Any individual policy issued shall become effective on the date of expiration of the 31-day period (60 days for retirees and their dependents) during which application may be made. However, if you or your insured dependents die during this 31/60-day period, ReliaStar Life will pay, whether or not you or your insured dependent made application for an individual policy, the maximum amount of life insurance for which an individual policy could have been issued.

In no event, however, will payment be made under this provision:

- a. If payment is made as specified under the Life Insurance benefit provisions of the sections entitled "Beneficiary" or "Benefits in Event of Disability," or
 - b. To the extent payment is made as specified under the Life Insurance benefit provision entitled "Accelerated Life Benefit."
5. If any individual policy is issued to you in accordance with this Conversion of Life Insurance provision, you shall not thereafter be insured under Part D of the Group Policy unless you, at your own expense, furnish satisfactory evidence of good health to ReliaStar Life, subject to all other provisions of the Group Policy.

Miscellaneous Provisions

Payments of Benefits

All benefits provided in the Group Policy shall be paid as stated in this section upon receipt of written proof on the Company's forms or if such forms are not furnished by the Company within 15 days after demand therefor, then upon receipt of written proof covering the occurrence, character, and extent of the event for which claim is made.

The amount payable to a beneficiary when an insured individual dies may be paid in a lump sum or in installments over a period of years, upon mutual agreement with the Company. The member will receive a lump sum amount under the Accelerated Life Benefit. To the extent permitted by law, amounts payable to beneficiaries shall not be subject to the claims of any creditor or any representative of such creditor, or to any legal process against a beneficiary. All other indemnities will be paid to the employee.

Proof of Loss

Written proof of loss must be furnished to the Company within 90 days after the date of the loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the insured individual, later than one year from the time proof is otherwise required.

Physical Examination and Autopsy

The Company, at its own expense, shall have the right and opportunity to examine the person of any individual whose injury or sickness is the basis of claim when and as often as it may reasonably require during the period in which a claim is pending hereunder and to make an autopsy in case of death, where it is not forbidden by law.

Assignment

All group Life Insurance and Accidental Death and Dismemberment Insurance which may be provided in the Group Policy may be assigned to an employee's spouse, children, parents, or a trust established for their benefit by absolute assignment (not collateral assignment) in accordance with and subject to the following provisions:

- A. Any assignment of group Life Insurance shall operate to transfer all rights, including but not limited to:
 - 1. The right to change the beneficiary (except that an irrevocable beneficiary designation may not be changed without the irrevocable beneficiary's consent); and
 - 2. The right to have issued an individual policy of Life Insurance on the insured individual's life under the Conversion of Life Insurance provision.
- B. Any benefits which, under the terms of the Group Policy, are payable to the insured individual or the insured individual's estate shall be paid to the assignee. All other benefits shall be paid to the beneficiary (not to the assignee, unless the assignee is also the beneficiary).
- C. Any assignment will be binding upon the Company and effective as of its date, when made in writing whether or not the insured individual is living at the time the assignment is so filed. The Company shall be fully protected in any action taken prior to receipt of the assignment or written notice of an adverse claim at the Company's home

office. The Policyholder and the Company assume no responsibility for the validity or effect of any assignment (including an assignment on forms furnished by them).

No separate assignment may be made of any Dependent Life Insurance provided in the Group Policy, but any assignment by an insured individual of a certificate which provides Dependent Life Insurance will apply to such Dependent Life Insurance.

Incontestability

There is a contestable period starting with the effective date of the insured's insurance and continuing for two years while the insured is living. During that two years, the Company can contest the validity of an insured's insurance because of inaccurate or false information received relating to an insured's insurability. Only statements that are in writing and signed by the insured can be used to contest the insurance.

Misstatement of Age

In the event of the misstatement of the age of any insured individual, there will be made an equitable adjustment of the premiums or of benefits or of both, such adjustment to be based on the difference between the total premiums paid and the total premiums which would have been paid had the information been correctly stated.

Premium Adjustments

Premium adjustments involving return of unearned premiums or collection of unpaid premiums shall be limited to a maximum period of one year immediately preceding the date of receipt by the Company of evidence that such adjustments should be made.

Questions and Answers

1. When am I covered under this plan?

Part A

Permanent employees, seasonal employees, career seasonal/instructional employees: Coverage begins on the first day of the month following the date of employment. If the date of employment is the first working day of a month, coverage begins on the date of employment.

Nonpermanent employees: Coverage for nonpermanent employees begins on the first day of the seventh calendar month following the date of employment.

Part-time faculty: Coverage for part-time faculty begins on the first day of the month following the beginning of the second consecutive quarter/semester of half-time or more employment. If the first day of the second consecutive quarter/semester is the first working day of the month, coverage begins at the beginning of the second consecutive quarter/semester.

Appointed and elected officials, judges: Coverage for legislators begins on the first day of the month following the date their term begins. If the term begins on the first working day of a month, coverage begins on the first day of their term.

Coverage begins for all other elected and full-time appointed officials of the legislative and executive branches of state government, and judges, on the first day of the month following the date their term begins, or the first day of the month following the date they take the oath of office, whichever occurs first. If the term begins, or oath of office is taken, on the first working day of a month, coverage begins on the date the term begins, or the oath of office is taken.

Employees of school districts and participating employer groups (counties, cities, ports, water districts, etc.): The effective date of coverage for eligible employees may be determined by the terms of employment or collective bargaining agreement. Participation of the bargaining unit or non-represented employees is subject to approval by the HCA.

Parts B, C, D, and E

If you enroll within 60 days of eligibility, you may elect Part B Basic, Part B Supplemental Spouse up to \$25,000, Part C Optional, and Part D Supplemental Life up to \$50,000 without providing evidence of good health and these coverages will become effective the first of the month following the signature date on the enrollment form. If you apply more than 60 days after your initial eligibility, evidence of good health is required by the insurance company for Parts B Basic (except for children), B Supplemental Spouse, C, and D, and coverage becomes effective on the first of the month following the Company's approval of your application. Voluntary AD&D (Part E) coverage does not require evidence of good health and becomes effective on the first of the month after your application is submitted.

Any increase in the amount of insurance for a dependent who is confined in a hospital on a date when the increase would otherwise become effective will be deferred until the dependent's discharge from the hospital.

Note: If you are not actively at work on such date, the insurance will become effective the first of the month following the date you return to active work. If the date that your insurance would otherwise become effective falls on a non-working day, such insurance shall nevertheless become effective if you were actively at work on the last preceding work day, provided that you would have been able to work had the effective date been a work day.

2. How much does this insurance cost?

Part A is provided by your employer through the PEBB at no cost to you. The cost of Part B Basic is \$.65 per family per month regardless of the number of dependents. The cost of Part B Supplemental, Part C, and Part D coverage is determined by your age, the amount of insurance you choose, and whether or not you or your spouse (if he/she is covered under Part B Basic and Spouse Supplemental) smoke. Part E Voluntary AD&D costs depend on the amount of AD&D coverage you choose and whether or not you cover dependents for voluntary AD&D coverage. All rates for optional insurance are listed on page 32.

3. Does a salary increase affect my life insurance?

Yes. If you enroll in Part C and select the maximum allowable based on your salary, you may also elect automatic increases. When your salary increases, your Part C coverage will automatically be increased to your new maximum on the first of the month following your salary increase. However, you may voluntarily reduce or freeze your Part C coverage at any time by completing a new enrollment form. If you reduce your Part C coverage below the maximum allowable or if you initially enroll in Part C for less than your maximum allowable, proof of good health will be required to increase Part C coverage. There is no automatic increase provision for Part B Supplemental Spouse Insurance. If your salary decreases, you can retain the amount of your Part C coverage in effect immediately prior to the salary decrease.

4. Who must complete an enrollment form?

All eligible employees must complete an enrollment form even if they only want Part A. This is important to assure that your beneficiary is properly named. Be sure to check the boxes declining coverages you don't want and sign and date the form. Name a beneficiary and indicate that individual's relationship to you. Since the insurance in this pamphlet is the only life and AD&D program sponsored and approved by the PEBB, you should carefully consider your options.

5. When is my enrollment period?

Your enrollment period ends 60 days from your initial eligibility date. This period is set to allow you to:

- Enroll yourself in Part C to the maximum allowable and Part D to \$50,000 without furnishing evidence of good health.
- Enroll your dependents in Part B Basic and up to \$25,000 in Part B Supplemental Spouse coverage without furnishing evidence of good health for your spouse.

6. Who is the beneficiary for my dependents' insurance?

You are automatically the beneficiary for your enrolled dependents' insurance if you are living at the time of the dependents' death. If you are not living at that time, payment will be made to your surviving spouse, children, or parents in that order. If none survive, payment will be made to your estate.

7. Who is my beneficiary?

You may name any beneficiary you wish when you complete the enrollment form. If you should die with no named living beneficiary, payment will be made in this order to your survivors: (1) spouse, (2) children, (3) parents, or (4) estate.

All eligible employees will be covered for \$25,000 employer-provided Life and \$5,000 AD&D Insurance under Part A of the PEBB program. For that reason, everyone must complete an enrollment form to designate a beneficiary. If you wish to name someone other than your spouse as beneficiary, or if you have special estate planning needs, or wish to assign ownership of your Life Insurance to another person, you should seek legal/tax advice before completing your beneficiary designation. If your marriage or domestic partnership dissolves, be sure to update your beneficiary designation. If your beneficiary is a minor (under age 18), benefits may be paid

to the child's court-appointed legal guardian or proceeds may be held in an interest-bearing account by the Company. The payment method is determined by the legal guardian.

8. What happens if I retire or otherwise leave employment with the state?

Your Life Insurance (not AD&D Insurance) continues for 31 days (60 days for persons retiring) beyond the date your employer-provided and employee-paid coverages terminate. (See the next question for these termination dates.) During that 31/60 days, you have the right to convert any amount of your Life Insurance (subject to a minimum of \$1,000) to an individual permanent whole life policy at the conversion rates for your age at that time. ReliaStar Life Insurance Company must accept you for the conversion benefit regardless of your health. Should death occur during the 31/60-day conversion period, a death benefit in the maximum amount for which an individual policy could have been issued will be paid, whether or not application for conversion had been made. You may also convert Life Insurance on your dependents. Conversion is not available for any AD&D Insurance. (See Conversion of Life Insurance on page 21.)

Note: If you are in good health when your coverage ends, it may be to your advantage to apply for a lower-cost type of Life Insurance which would not be available under the conversion option. You should discuss this with a ReliaStar Life agent or a life insurance agent of your choice during the 31/60-day conversion period. (Also, see Question 22.)

Most retirees will be eligible for Retiree Term Life Insurance if they apply for coverage within 60 days of their date of retirement. A description of coverage and an enrollment form will be furnished by their Retirement Office at the time of final application for retirement. If you do not enroll in the retiree life insurance within your initial 60-day enrollment period, you will be required to provide evidence of good health, subject to approval by the underwriter, to enroll at a later date. Coverage would become effective the first of the month following approval.

9. When does my insurance terminate?

The day on which your insurance terminates is different for employer-provided coverage than for the employee-paid optional coverages.

- Employer-provided Part A coverage terminates at the end of the month in which your pay status ends or following an approved leave of up to 12 weeks under the Family and Medical Leave Act.
- Employee-paid coverages, Parts B, C, D, E (and Part A coverage which you may continue on a self-pay basis when not in pay status) terminate at the end of the month in which your employment terminates, you begin full military service, you voluntarily cancel your insurance, or following an approved leave of up to 12 weeks under the Family and Medical Leave Act. (However, you may continue to self-pay your insurance up to 29 months during any authorized leave without pay, while receiving time loss benefits under workers' compensation, during a layoff [reduction-in-force], or while awaiting hearing for a dismissal action.)

Note: Coverage for dependents terminates on the earliest of the following dates: (1) at the end of the month in which a dependent ceases to be an eligible dependent or you voluntarily cancel your dependent's insurance, (2) for Life Insurance (not AD&D), five months (subject to self-payment of premium) after the date of death of the employee, or (3) on the date employee coverage ends for reasons other than death.

10. Do I have a choice of benefits?

Yes. You are automatically covered under Part A, which is provided by your employer. You may also choose to apply for one or more of the optional coverages (Parts B, C, D, and E at the prescribed premium rates) subject to the enrollment requirements previously stated. By examining your options carefully, you can tailor your coverage to your own needs.

11. How much life insurance should I have?

This is largely a matter of individual estate planning. However, the minimum amount should be enough to cover funeral expenses when you die. The Basic Life Insurance coverage is designed to help toward these costs.

The optional plan (Part C) is similar to private industry plans which usually provide at least one year's salary in life insurance benefits. This allows a deceased employee's family time to adjust to the loss.

Supplemental Insurance (Part D) is available to provide higher amounts of inexpensive life insurance for employees with large financial needs in the event of premature death or for other estate planning reasons. Part B Supplemental Spouse Insurance is available for similar reasons.

Voluntary Accidental Death and Dismemberment Insurance (Part E) is also available to supplement any life insurance you may choose. It allows you to provide a type of "double indemnity" if you or your enrolled dependents die from a covered accident. It also provides dismemberment coverage for the loss of hands, feet, or eyesight as a result of a covered accident.

12. Will coverage reduce as I get older?

No, except in the case of total disability as indicated under Question 21.

13. When should I answer the health questions on the enrollment form?

The Medical Questionnaire section of the enrollment form must be completed and approved to become insured in the following cases:

- When applying for Part B Basic, Part B Supplemental (spouse only), Part C, and Part D after your 60-day eligibility enrollment period.
- When applying for Part B Supplemental over \$25,000 and Part D over \$50,000.

14. How much optional insurance (Part C) may I purchase?

If your monthly salary on the date you enroll is:

\$ 1,084	through	1,166
1,167	through	1,250
1,251	through	1,333
1,334	through	1,416
1,417	through	1,500
1,501	through	1,583
1,584	through	1,666
1,667	through	1,750
1,751	through	1,833
1,834	through	1,916
1,917	through	2,000
2,001	through	2,083

...and so forth

Your amount of insurance can be any \$1,000 increment from: Minimum – Maximum

\$ 7,000	to	14,000
8,000	to	15,000
8,000	to	16,000
9,000	to	17,000
9,000	to	18,000
10,000	to	19,000
10,000	to	20,000
11,000	to	21,000
11,000	to	22,000
12,000	to	23,000
12,000	to	24,000
13,000	to	25,000

Note 1: For full-time employees who are paid less than 12 months per year, annual salary is determined by multiplying monthly salary by 12.

Note 2: For part-time employees scheduled to work half-time or more, maximum allowable Part C coverage shall be increased to the same as if the person was working full-time. For this purpose, monthly salary is determined by converting the part-time hourly rate or salary to the equivalent of full-time pay.

Note 3: If you elected automatic increases on your enrollment form, Part C will automatically increase when your salary increases. If you are enrolled for less than the maximum, evidence of good health would be required to increase Part C.

15. How much supplemental insurance (Part D) may I apply for?

You may apply for any amount of insurance in \$1,000 increments up to \$350,000 under Part D Supplemental.

16. How much supplemental spouse insurance (Part B) may I apply for?

If you have enrolled your spouse in Part B Basic Dependents Insurance, you may apply for additional insurance for your spouse in \$1,000 increments up to one half of the amount of life insurance you obtain for yourself under Part C and Part D combined. The cost for Supplemental Spouse Insurance will be based on your age (not the age of your spouse) and whether or not you or your spouse smoke.

17. If I acquire dependents after I am enrolled, how may I enroll them?

Under Part B Basic and Part E, if you already have one dependent child enrolled, it is not necessary to tell us about newly eligible dependent children; they will be automatically covered. A newly acquired spouse must be enrolled through your payroll office within 60 days of marriage or declaration to be covered without furnishing evidence of good health.

Under Part B Supplemental, new spouse coverage does not require approval up to \$25,000 if application is made within 60 days of marriage or declaration. Otherwise, it always requires approval of evidence of good health by application through your payroll office.

18. What coverage is provided if both my spouse and I are eligible employees of the state?

Each will be covered under Part A and both are eligible for Parts B, C, D, and E. They may insure each other and both cover their dependent children.

When one spouse terminates coverage, the actively employed person may apply for transfer of the terminated spouse's employee or Dependent Life Insurance up to the maximum allowed under the active employee's coverages. Application for transfer must be made within 31 days of the date the first spouse terminates employment.

19. How are claims filed?

In the event of death, your payroll or insurance office should be notified immediately. That office will have instructions for submitting claims. They will need a certified death certificate and the beneficiary's social security number to submit a claim. For claims of \$5,000 or more, the beneficiary must sign the death claim form.

20. How are payments made?

Beneficiaries with a life claim benefit of \$5,000 or more receive a personal checkbook. They can obtain their full benefit or less amounts at any time by simply writing a check. The account balance earns a competitive rate of interest until it is withdrawn.

21. What if I become totally disabled?

If you become totally disabled prior to age 60 and the disability continues at least six months, your life insurance (Basic, Optional, and Supplemental) can be continued without premium payments while disabled (waiver of premium) up to specified limits (see pages 20-21). Premiums for Dependent Life Insurance will also be waived as long as you remain totally disabled and the master policy with the Company remains in force. Your dependents will be eligible to exercise the Life Insurance conversion option in the event waiver of dependent premium is discontinued due to termination of the employee's waiver of premium benefit (or termination of the master policy). (See page 21 for more information.)

If you believe you qualify for this benefit, promptly contact your personnel, payroll or benefits office, who will submit the claim for you. Premiums must be continued (subject to refund if the claim is approved) until you are terminated by your employer or until your claim has been approved by the Company, whichever occurs first. If you are terminated before the waiver of premium claim is approved, you must apply for conversion within 31 days of your date of termination to protect your life insurance conversion rights in the event the claim is disapproved.

The waiver of premium provision is for Life Insurance only. AD&D coverage cannot be continued beyond the month in which your disability waiver of premium claim is approved or you are terminated by your employer, whichever occurs first.

Note: If your Optional Life Insurance premiums are waived due to disability and you return to work, you must resume paying the required contribution, to reinstate your optional coverages.

22. How long can I continue PEBB life insurance when I am not actively at work?

If you self-pay the premiums through your payroll or benefits office, you may continue Life Insurance for yourself and your dependents under the following conditions:

1. Up to 18 months between periods of employer paid coverage, if you are a part-time faculty or seasonal employee;
2. Up to 29 months during any authorized leave without pay, while receiving time loss benefits under workers' compensation, during a layoff (reduction-in-force), or while awaiting hearing for a dismissal action;
3. Up to 18 months if you are a reverted employee and not successful in regaining pay status.

If you self-pay premiums while you are off work, upon your return to work, your optional coverage will be reinstated at the same coverage amounts in effect prior to your leave.

Note: AD&D coverages, Part A and Part E, can be continued for the same period as Life Insurance, except in the case of total disability (see Question 21).

If you choose not to self-pay the premiums, your coverage will terminate (see Question 9 for the termination dates). When you return to active work, you must provide evidence of good health to reinstate Parts B Basic, B Supplemental Spouse, C, and D of your coverage.

If you are on an approved leave of up to 12 weeks under the Family and Medical Leave Act, your employer will continue providing Part A coverage for you without cost. If you choose not to self pay premiums for optional coverage during that time period, your optional coverage will be reinstated to the amounts you had under this plan immediately prior to your leave on the date you return. Your return must be within the period authorized by your employer but not longer than 12 weeks. You must resume paying the required contribution at that time.

23. What is Accidental Death and Dismemberment Insurance?

Accidental Death and Dismemberment (AD&D) Insurance provides extra benefits for certain injuries or death resulting from an accident. If you die from a covered accidental bodily injury, the full amount of AD&D benefits (Principal Sum) for which you are enrolled will be paid to your beneficiary in addition to any life insurance you have under the PEBB program.

For covered accidental losses, loss of both hands, both arms, both feet, both legs, or loss of sight in both eyes, the AD&D coverage pays you the full amount of benefits (Principal Sum) for which you are enrolled.

If you should lose one hand, one arm, one foot, one leg, or the sight of one eye as a result of a covered accident, AD&D benefits equal to half of the amount of your AD&D coverage (Principal Sum) will be paid to you.

24. Why is AD&D coverage so much less expensive than life insurance (which pays for death from any cause)?

Actuarial studies indicate that only about one in 12 deaths are caused by accidents. The loss of hands, feet, arms, legs, or eyesight as a result of an accident is also a relatively rare occurrence. Since the risk is low, you can obtain AD&D coverage to supplement your Life Insurance for a relatively small additional premium.

25. How do I drop or reduce coverage for myself or my dependents?

You may drop or reduce optional coverages at any time, subject to the minimum for continued enrollment in Part C. Complete a new enrollment form and give it to your payroll office. Your change in coverage will take effect on the last day of the calendar month in which you elect to drop coverage. Of course, all employees remain in Part A as long as they are eligible.

If you drop or reduce coverage on yourself or your spouse, evidence of good health will be required to re-enroll at a later date.

26. Who answers questions about life insurance benefits?

For questions about enrollment and administration, contact your personnel, payroll, or benefits office.

If you are not able to obtain the information you want from these sources, contact the ReliaStar Life Insurance Company, P. O. Box 20, Route 7325, Minneapolis, MN 55440-0020, 1-866-689-6990.

27. Does this life insurance program have a provision to pay benefits while I am living?

Yes. Terminally ill employees and spouses who meet specific eligibility rules may be able to collect a portion of their Life Insurance benefit during the last 12 months of life. (See the “Accelerated Life Benefit” section.)

Premium Rates (Effective January 1, 2003)

Part B Supplemental, Part C Optional, and Part D Supplemental Insurance

EMPLOYEE'S AGE	COST PER \$1,000 PER MONTH	
	Non-Smoker	Smoker
Less than 30	0.044	0.056
30-34	0.046	0.058
35-39	0.058	0.068
40-44	0.100	0.104
45-49	0.160	0.176
50-54	0.250	0.264
55-59	0.440	0.474
60-64	0.650	0.680
65 and over	1.000	1.052

(Your premium rate changes to the next higher rate as you reach each new age bracket.)

Part E - Accidental Death and Dismemberment

			Coverage Your Spouse Would Have:		Coverage Your Children Would Have:	
Employee AD&D Benefit	Cost to Cover Only Yourself	Cost to Cover You & Your Dependents	With No Children	With Children	If You Have a Spouse	If You Have No Spouse
\$ 25,000	\$0.40	\$0.60	\$12,500	\$10,000	\$1,250	\$ 2,500
50,000	.80	1.20	25,000	20,000	2,500	5,000
75,000	1.20	1.80	37,500	30,000	3,750	7,500
100,000	1.60	2.40	50,000	40,000	5,000	10,000
125,000	2.00	3.00	62,500	50,000	6,250	12,500
150,000	2.40	3.60	75,000	60,000	7,500	15,000
175,000	2.80	4.20	87,500	70,000	8,750	17,500
200,000	3.20	4.80	100,000	80,000	10,000	20,000
225,000	3.60	5.40	112,500	90,000	11,250	22,500
250,000	4.00	6.00	125,000	100,000	12,500	25,000

Appendix A: Forms

- Life Insurance Enrollment/Change Form
- Life Insurance Evidence of Insurability Form

Completing the PEBB Life Insurance Enrollment/Change Form

General Directions:

- Please read **all** instructions before you begin.
- Detach at perforation before completing forms.
- Sections 1-5 must be completed by the employee.
- Please type or print all information.
- Shaded areas are to be completed by the agency payroll/personnel/benefits office.
- References to "domestic partner" in this packet **only** include qualified same-sex domestic partners.
- If you are adding a new spouse/domestic partner to your coverage, complete the *Declaration of Marriage/Same-Sex Domestic Partnership* form. Domestic partners must also complete the *Declaration of Tax Status* form. These forms are available from your personnel/payroll office.

SECTION 1

Please provide personal information.

SECTION 2

Please follow down column "2B. Desired Coverage" and mark either "Yes" or "No" for each type of coverage listed—even for coverage that is not being changed.

Note: Public Employees Benefits Board coverage automatically provides \$25,000 in Basic Life and \$5,000 Accidental Death and Dismemberment (AD&D) benefits for you as a PEBB member.

If you desire optional or supplemental coverage for either yourself or your spouse/domestic partner, enter the dollar amount of coverage you desire—even for coverage that is not being changed.

Underwriting Approval Requirements

Any coverage requested outside of the initial eligibility period, for either you or your spouse/domestic partner, will require underwriting approval. A separate *Evidence of Insurability Form* (behind this instruction sheet) must be completed and submitted to agency payroll, benefits office, or ReliaStar Life Insurance Co. All underwriting is done through ReliaStar Life Insurance Company.

You may elect the following amounts within your first 60 days of insurance eligibility without submitting the application for underwriting approval. Coverage beyond this amount requires approval.

Guaranteed Issues

Basic Spouse Life/Part B	\$2,500
Basic Children Life/Part B*	\$2,500
Supplemental Spouse Life/Part B	\$25,000
Optional Life/Part C (Employee)	Up to annual salary
Supplemental Life/Part D (Employee)	\$50,000

Type of Coverage

Optional Life/Part C: Within the first 60 days of insurance eligibility, you may elect up to your annual salary amount (rounded up to the nearest \$1,000) without underwriting approval (see "Underwriting Approval Requirements" above). You may also have this amount automatically increased as your annual salary increases. (Be sure to check box "Yes" for the maximum under "optional life.")

Example: \$2,546 Monthly Salary
 x 12 Months
\$30,552 = Annual Salary ⇒ Optional Life/Part C
 Available \$31,000

Supplemental Life/Part D: Within the first 60 days of insurance eligibility, you may elect up to \$50,000 coverage without underwriting approval. Additional coverage (up to \$350,000 maximum) requires underwriting approval (see "Underwriting Approval Requirements").

Optional AD&D/Part E*: Optional AD&D insurance will pay, in addition to any other insurance you are enrolled in, if death is determined accidental. Please refer to your life insurance booklet for more information.

Spouse/Domestic Partner Insurance Information

Basic Spouse Life/Part B: Within your first 60 days of insurance eligibility or within the first 60 days of marriage/domestic partnership, your spouse/domestic partner may enroll in Basic Spouse Life/Part B without underwriting approval.

Supplemental Spouse Life/Part B: The amount of Supplemental Spouse Life cannot exceed one-half of the amount of Optional Life/Part C and Supplemental Life/Part D coverage selected for you. Within your first 60 days of insurance eligibility, your spouse/domestic partner may enroll for up to \$25,000 in Supplemental Spouse Life/Part B without underwriting approval. You must have at least \$50,000 in force. Additional coverage requires underwriting approval (see "Underwriting Approval Requirements").

Example:

Employee coverage: \$30,000 Optional Life/Part C
 + \$50,000 Supplemental Life/Part D
 \$80,000

Spouse/domestic partner is eligible for up to \$40,000
(1/2 of \$80,000) Supplemental Spouse Life/Part B insurance.

Premium Rates (Parts B Supplemental, C, & D)

Premium rates are based on your age. A rate chart is listed below.

Cost Per \$1,000 Per Month		
Employee's age	Nonsmoker	Smoker
less than 30	\$.044	\$.056
30 - 34	\$.046	\$.058
35 - 39	\$.058	\$.068
40 - 44	\$.100	\$.104
45 - 49	\$.160	\$.176
50 - 54	\$.250	\$.264
55 - 59	\$.440	\$.474
60 - 64	\$.650	\$.680
65 +	\$ 1.000	\$ 1.052

Your premium rate changes to the next higher rate as you reach each new age bracket.

SECTION 3

Please indicate your beneficiary, following the examples on the back of this form.

SECTION 4

Please sign and date the form.

Note to Agencies:

Review for completeness and accuracy, and key guaranteed issues before submitting to ReliaStar Life Insurance Co.

*Never needs approval

Suggested Beneficiary Designations

Washington is a community property state. Insureds are urged to obtain legal advice before using beneficiary designations limiting their spouses/domestic partners to less than half the proceeds. Also, reference to a will is not acceptable. Always use the full legal name, for example, “Anna May Smith, wife,” not “Mrs. John Smith.” You should be sure to check with your attorney and discuss whether to update your beneficiary if your marriage/domestic partnership relationship is dissolved or invalidated. Upon your death, Washington State law prohibits payment of assets to the former spouse except under specific circumstances.

Always show date of birth for minor children.

Personal Beneficiaries

1. If **one individual** is to be designated, use the full legal name thus – “Anna May Smith, wife,” not “Mrs. John Smith.”
2. If **two individuals** are to be named, designate as follows: “Anna May Smith, wife, and Dorothy Smith Andrews, daughter, in equal shares, or the survivor.”
3. If **three or more individuals** are to be named, designate as follows: “Anna May Smith, wife, Dorothy Smith Andrews, daughter, and William Smith, son, or the survivors, in equal shares, or the survivor.”
4. If **one or more secondary beneficiaries** are to be named, they may be designated individually as follows: “Anna May Smith, wife, if living; otherwise Joseph Smith, father, and Elizabeth Smith, mother, in equal shares, or the survivor;” or
 - a. If all **children of the marriage** are to be named secondary beneficiaries, designate them collectively rather than individually as follows: “Anna May Smith, wife, if living; otherwise the then-surviving children, if any, born of insured’s marriage with said wife, in equal shares.” (This designation will include children born later without the necessity of changing the designation.)
 - b. If all children of the marriage are to be named secondary beneficiaries **and a second alternate beneficiary is to be named**, designate as follows: “Anna Smith, wife, if living; otherwise the then-surviving children, if any, born of insured’s marriage with said wife, in equal shares, or if said wife is not living and there is no such child, James Smith, father.”
 - c. If **children not of the present marriage** are to be included, designate as follows: “Anna May Smith, wife, if living; otherwise John Smith, born 8-5-86, and Mary Smith, born 2-21-88, children, and any other child or children born of insured’s marriage with said wife, or the survivors, in equal shares, or the survivor.”
 - d. If a **“Clean Up Fund”** of a stated amount is desired and there are secondary beneficiaries who are minor, the designation may be as follows: “The proceeds up to \$_____ to Anna Smith, wife, if living; otherwise the executors or administrators of the estate of the insured, and the remainder to said wife, if living; otherwise John Smith and Mary Smith, children, in equal shares, or the survivor.” Minor children should not be named beneficiaries of proceeds intended for “Clean Up Fund” because the guardian of the children probably could not use the proceeds for the purpose.

Estate

5. If an estate is named, specify whose estate, such as: “Estate of the Insured.”

Trustee

6. Trustee under the last will and testament of the insured, or his successors in trust, **provided, however**, that if no claim is made by said Trustee within one year from the date of death of the insured or if the insured shall die leaving no last will and testament containing a trust covering this policy, the proceeds shall be payable to the estate of the insured. Payment of the proceeds of this policy to said Trustee or successors in trust shall fully and finally discharge the Company from all liability.
7. “The _____ Trust Company, Trustee under written trust agreement dated _____(month/day/year), or its successor or successors in trust, and payment of the proceeds of this certificate to said Trustee or successor or successors shall fully and finally discharge the Company from all liability.”

Business Partners

8. Under a cross ownership plan, designate the surviving partners as beneficiaries. For example, for insurance on the life of John Jones, designate “Henry Smith and William Brown, partners, in equal shares, or the survivor.” Similar designation may be made for the other partners.

Just as a corporation may be the owner and beneficiary of a policy, a partnership may, in the partnership name, own and be the beneficiary of a policy. The firm name should be used together with the words, “a partnership.” For example, “Jones, Smith, and Brown, a partnership presently consisting of John Jones, Henry Smith, and William Brown.”

Per Stirpes

9. “_____, wife, if living, otherwise the then-surviving children, if any, born of insured’s marriage with said wife and the then-surviving legally adopted child or children of the insured, if any, in equal shares, except in case of death of any child or children of said marriage or any legally adopted child or children of the insured, leaving lawful surviving child or children (including legally adopted children but not including grandchildren or other remote descendants), such child or children of the deceased child shall receive, in equal shares, the share which such deceased child would have received if he or she had survived.”

Agency Code	Subagency Code
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Public Employees Benefits Board

Life Insurance Enrollment/Change Form

- Type or print clearly in ink.
- Shaded areas for agency use only.
- Return to your payroll or benefits office.

Note to agencies: Review for completeness and accuracy, and key guaranteed issues before submitting to ReliaStar Life Insurance Co.

SECTION 1: Sections 1-5 must be completed by employee.

Social Security Number		Last Name		First Name		Middle Initial	Agency/Division	
House Number	Street Address		Apt./Unit Number	Phone: Work () Home ()		Birth Date (MO/DAY/YR)		<input type="checkbox"/> Male <input type="checkbox"/> Female
City	State	ZIP Code + 4	Do you or your spouse/domestic partner smoke? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, complete and sign Nonsmoker Certification section.				Annual Salary	
Is this enrollment within the first 60 days of eligibility? <input type="checkbox"/> Yes <input type="checkbox"/> No Type of enrollment? <input type="checkbox"/> New <input type="checkbox"/> Change <input type="checkbox"/> Transfer				Current Agency Hire Date			Original Insurance Eligibility Date	

SECTION 2: Please fill in the coverage you desire in the unshaded column.

Type of Coverage			2A. Current Coverage			2B. Desired Coverage			Effective Date No Approval Required	Effective Date After Approval
			Yes	No	Amount	Yes	No	Amount		
Basic Life \$25,000 and AD&D \$5,000	Part A		<input checked="" type="checkbox"/>		\$25,000 \$5,000	<input checked="" type="checkbox"/>		\$25,000 \$5,000	Part A premium paid by employer except when on LWOP	
Basic Spouse Life	(Must enroll within 60 days of eligibility; otherwise may require approval.)*	Part B			\$2,500			\$2,500		
Basic Children Life	(Does not require approval.)*	Part B			\$2,500			\$2,500		
Supplemental Spouse Life	(Must be enrolled in Part B Basic. No approval needed for first \$25,000 if within 60 days of eligibility. Cannot exceed 50% of employee's coverage.)*	Part B								
Optional Life	(Must enroll within 60 days; otherwise approval required.) If enrolling for maximum allowed under Part C, do you want coverage to automatically increase to the maximum as your pay increases?* <input type="checkbox"/> Yes <input type="checkbox"/> No	Part C								
Supplemental Life	(No approval required for first \$50,000 if within 60 days of eligibility. Additional amount always requires approval.)*	Part D								
Optional AD&D	(Does not require approval.)*	Part E	<input type="checkbox"/> W/O DEP <input type="checkbox"/> WITH DEP			<input type="checkbox"/> W/O DEP <input type="checkbox"/> WITH DEP				

*Date guaranteed issues keyed by agency payroll/insurance office: _____

SECTION 3: BENEFICIARY DESIGNATION: Full name of beneficiary, relationship to insured, and date of birth for minor children.

Beneficiary: _____	Social Security Number: _____
If beneficiary not living, to: _____	Social Security Number: _____
_____	Social Security Number: _____

SECTION 4: I authorize my employer to deduct from my earnings any premium I am required to pay for the coverage I have selected. I reject my opportunity to enroll in any coverage I have checked "No." I understand that I am the beneficiary for insurance on my family members. This form supersedes all previous forms I have submitted for Public Employees Benefits Board coverage.

Signature of Employee: _____ Date: _____

SECTION 5:

Nonsmoker Certification

To qualify for the nonsmoker's discount, you **and** your spouse/domestic partner (if [s]he is covered under Part B Basic or Spouse Supplemental) must **not** have used any tobacco products within the past 12 months.

I certify that I have not smoked cigarettes, cigars, or pipes, or used chewing tobacco or nicotine gum within the past 12 months.

Please Note: ReliaStar Life Insurance Company reserves the right to reduce claims payment if false information is submitted or you fail to notify us that you are no longer eligible for the nonsmoker's discount.

Subscriber's Signature: _____ Date: _____

Spouse/Domestic Partner's Signature: _____ Date: _____

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

For Agency Use
Comments

For Agency Use
Date sent to carrier:

Life Insurance**Evidence of Insurability Form**

- Type or print clearly in ink.
■ Return to agency or ReliaStar Life Insurance Co.

SECTION 1:

Social Security Number		Last Name		First Name	Middle Initial	Agency/Division		
House Number	Street Address		Apt./Unit Number		Phone: Work () Home ()		Birth Date (MO/DAY/YR) ____/____/____	<input type="checkbox"/> Male <input type="checkbox"/> Female
City			State	ZIP Code + 4		Do you or your spouse/domestic partner smoke? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, complete and sign Nonsmoker Certification section.		

SECTION 2: EMPLOYEE: Evidence of insurability (To be completed only when applying for Part C or Part D more than 60 days after original insurance eligibility date, OR when applying for more than \$50,000 Part D within 60 days of original eligibility date.)

Employee _____ Height _____ Weight _____ Sex _____

Occupation _____ Birth Date _____ Birthplace _____ Marriage/Domestic Partnership Date _____

Provide details for any "Yes" answers below. Use a separate sheet if necessary.

- | | | |
|--|---|--|
| 1. Have you had any injury, sickness, or ailment, or have you consulted or been treated by a health care provider for any reason in the past five years?
<input type="checkbox"/> Yes <input type="checkbox"/> No | 2. Have you ever had:
A. High Blood Pressure, Heart Disease, or Arteriosclerosis? <input type="checkbox"/> Yes <input type="checkbox"/> No
B. Mental Illness, Stroke, or Epilepsy? <input type="checkbox"/> Yes <input type="checkbox"/> No
C. Cancer, Diabetes, or Nephritis? <input type="checkbox"/> Yes <input type="checkbox"/> No
D. Any problems with the back or spine? <input type="checkbox"/> Yes <input type="checkbox"/> No
E. Acquired Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC), or an immune system disorder? <input type="checkbox"/> Yes <input type="checkbox"/> No | 3. Are you now unable to work full time because of any disease or disorder? <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Do you take regular medication for treatment or control of any condition or ailment? <input type="checkbox"/> Yes <input type="checkbox"/> No
5. Do you contemplate any operation or visit to a doctor for an existing injury or ailment? <input type="checkbox"/> Yes <input type="checkbox"/> No |
|--|---|--|

Injuries, Diseases, Disorders, and Operations	Month, Year	Duration	Result	Names and Addresses of Health Care Providers Consulted

SECTION 3: SPOUSE/DOMESTIC PARTNER: Evidence of insurability (To be completed only when applying for Part B Basic or Part B Supplemental Spouse Life more than 60 days after original insurance eligibility date, OR when applying for more than \$25,000 Part B Supplemental Spouse Life within 60 days of original insurance eligibility date.)

Are you a state employee? ☐ Yes ☐ No
If yes, are you also applying for coverage through your agency? ☐ Yes ☐ No

NOTE: The employee will always be designated as beneficiary for spouse/domestic partner and dependent life insurance.

Spouse/Domestic Partner _____ Height _____ Weight _____ Sex _____

Occupation _____ Birth Date _____ Birthplace _____ Marriage/Domestic Partnership Date _____

Provide details for any "Yes" answers below. Use a separate sheet if necessary.

- | | | |
|--|---|--|
| 1. Have you had any injury, sickness, or ailment, or have you consulted or been treated by a health care provider for any reason in the past five years?
<input type="checkbox"/> Yes <input type="checkbox"/> No | 2. Have you ever had:
A. High Blood Pressure, Heart Disease, or Arteriosclerosis? <input type="checkbox"/> Yes <input type="checkbox"/> No
B. Mental Illness, Stroke, or Epilepsy? <input type="checkbox"/> Yes <input type="checkbox"/> No
C. Cancer, Diabetes, or Nephritis? <input type="checkbox"/> Yes <input type="checkbox"/> No
D. Any problems with the back or spine? <input type="checkbox"/> Yes <input type="checkbox"/> No
E. Acquired Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC), or an immune system disorder? <input type="checkbox"/> Yes <input type="checkbox"/> No | 3. Are you now unable to work full time because of any disease or disorder? <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Do you take regular medication for treatment or control of any condition or ailment? <input type="checkbox"/> Yes <input type="checkbox"/> No
5. Do you contemplate any operation or visit to a doctor for an existing injury or ailment? <input type="checkbox"/> Yes <input type="checkbox"/> No |
|--|---|--|

Injuries, Diseases, Disorders, and Operations	Month, Year	Duration	Result	Names and Addresses of Health Care Providers Consulted

Authorization and acknowledgment—Please read and sign below:

For underwriting and claims purposes, I give my permission to: Any physician or other medical practitioner, hospital, clinic, other medical or medically related facility, insurance or reinsurance company, Medical Information Bureau (MIB), Inc., or employer to give ReliaStar Life Insurance Company (ReliaStar Life) or its authorized representative (including any consumer reporting agency) acting on its behalf ALL INFORMATION on my behalf (except as limited below), including findings on medical care, psychiatric or psychological care or examination, surgery, or any non-medical information as they apply to me, my spouse/domestic partner, or any of my children who are to be covered. I give my permission to ReliaStar Life to get consumer or investigative consumer reports about the same persons.

I give my permission to ReliaStar Life to get any and all such information for the purposes described in this form. I specifically consent to the redisclosure of such information as set forth in this form. I know that my medical records, including any alcohol or drug abuse information, may be protected by Federal Regulations—42CFR Part 2. I may revoke this authorization as it applies to any information protected by this Federal Regulation at any time, but not to the extent action has been taken in reliance on it.

I understand all or part of the information obtained by this authorization may be communicated between ReliaStar Life and its affiliates and may be sent to MIB, Inc. This information may be made available to any ReliaStar Life affiliate, reinsurer, employee, or contractor who processes transactions that concern any coverage I may have requested or have with ReliaStar Life or its affiliates.

I understand that my additional written consent will be required before any information described above is given, sold, transferred, or in any way relayed to another party not previously specified (unless otherwise provided by law). My additional consent must be provided on a form that states the new use of the information or why another party needs it.

I know I have the right to get a copy of this form. A photocopy of this form will be as valid as the original. As it relates to the incontestability clause, this form will be valid for 30 months from the date shown below or for two years from the date coverage is made effective, whichever is earlier.

I acknowledge that I have been given ReliaStar Life's Insurance Information Practices Notice and Notice Regarding MIB, Inc. (on the back of the *Evidence of Insurability Form*).

Date	Employee's Signature (required)	
Date	Spouse/Domestic Partner's Signature (if applying)	Spouse/Domestic Partner's Social Security Number (if applying)

Mail completed form to:

ReliaStar Life Insurance Co., P.O. Box 20, Route 7325, Minneapolis, MN 55440-0020

HCA 50-645B (11/02)

For Agency Use
Date sent to carrier:

Date / Initials

ReliaStar Life Insurance Company

Insurance Information Practices Notice

We are pleased to provide you with information regarding this Evidence Form. This information is provided to you in accordance with legislation enacted in your state.

Our Underwriting Procedures

For certain types of coverage, we require proof of good health to determine if you are eligible for the coverage you requested. We review all of the information in the Evidence Form, and, if necessary, confirm or add to this information in the ways described in this notice.

Privacy and Information Practices

Collecting Information

Your Evidence Form is our main source of information. But we may:

- Ask you to have a physical exam, an EKG and/or a blood profile, etc.
- Ask physicians, hospitals, or other health care providers to confirm or add to the information you have given us. The types of information we may ask for are described on the authorization form you will be asked to sign. If you want a copy of this form, it will be given to you for your records.
- Obtain information from the Medical Information Bureau (MIB). See “Notice Regarding MIB, Inc.” below.
- Seek information from other companies you have applied to for insurance.
- Ask you for additional information through use of a written request called an Amendment.

Information Use

We will use the information only for business purposes arising from the relationship you have with us.

Information Maintenance and Disclosure

We treat the information we have about you as confidential. The authorization form that you have been asked to complete will permit us to send the information to our affiliates and to MIB, our reinsurers, employees, contractors, or other organizations that process transactions concerning coverage you have with ReliaStar Life or its affiliates, and to other life insurance companies to whom you may apply for life or health insurance or to whom a claim for benefits may be submitted. In certain circumstances, the information we have about you may be disclosed to third parties without your specific permission.

Access to Information

If you request it in writing, we will send you a copy of the relevant information we obtain about you in connection with your request for coverage. Medical information, however, will only be disclosed through the attending licensed physician.

If you feel that any of the information in our file is not correct or is incomplete, we will review it. If we agree with you, we will make the corrections. If we do not agree with you, you may file a short statement of dispute with us. Your statement will be included any time we disclose this information to anyone.

We will not send you information we collect in expectation of or in connection with any claim or civil or criminal proceeding.

Notice Regarding MIB, Inc. (Medical Information Bureau)

We or our reinsurers may make brief reports to MIB. The reports will include the factors that affect the insurability of any person for whom coverage is being requested. MIB is a nonprofit organization of life insurance companies. It operates an information exchange for its members. If you apply to some other member company for life or health coverage, or send in a claim for benefits, MIB may supply that company with any information in its file. If you ask, MIB will arrange to disclose to you the information it has about you in its file. If you question the accuracy of the information in MIB’s file, you may contact MIB and ask them to correct it as provided in the Fair Credit Reporting Act. The address of MIB’s information office is Post Office Box 105, Essex Station, Boston, MA 02112. MIB’s phone number is (617) 426-3660. We may also release information in our files to other life insurance companies to whom you may apply for life or health insurance or to whom a claim for benefits may be submitted.

